

October 25, 2017

CITY COUNCIL AGENDA

Tuesday, October 31, 2017

5:00 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
 - a) Roll Call of Members
 - b) Welcoming Remarks
 - c) Announcements
 - d) Pledge of Allegiance
2. Citizen's Comments. *Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification or explanation, but no council action or discussion will be held on these items.*
3. Additions / Deletions to Agenda
4. Approval of Consent Agenda. *The following are non-controversial items intended to be approved with one motion, without discussion. If a council member, staff, or member of the public would like to discuss an item(s), please ask that it be removed and it will be placed elsewhere on the agenda.*
 - a) Approval of Minutes – 10/10/17
 - b) Approval of Accounts Payable Listing
 - c) Liquor Store Report
 - d) Utility Report – People Service
 - e) Certify Unpaid Mowing Bills to Property Taxes 108 NW 2nd St, 125 NW 1st Ave and 100 NW 2nd St
5. Viking Library Administrator – Gerri Moeller
6. Lighting (LED) – Brian Olson
7. City Winter Maintenance Agreement with Otter Tail County Resolution 2017-30
8. Library Sidewalk
9. G.O. CIP Bond, Series 2017C Proposed Pricing Second Opinion Proposal Consideration
10. City Hall Project 85 Update
 - City Administrator Change Order authorization up to \$10,000
11. Health Insurance
12. Project 87 Pay Request #3 Hough Construction - \$489,152.96
13. Source Water Protection Grant Agreement Approval
14. T-Mobile Water Tower Railing Welding
15. Close the Meeting

At This Point the Council Meeting Will be Closed to the Public for Attorney Client Privilege
The Following Items will be Discussed.

A. Project 79 WWTF Pay Request – Greg Larson

16. Adjourn

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 10-31-17

The City Council of Pelican Rapids met in regular session at 5:00 p.m., on Tuesday, 10-31-17 in Council Chambers, City Hall.

Mayor Frazier called the meeting to order at 5:00 p.m.

Roll call was taken by Clerk-Treasurer Danielle Heaton.

Mayor Brent E. Frazier and three members of the Council were present at roll call:

Council Member Steve Strand

Council Member CJ Holl - absent

Council Member Kevin Ballard

Council Member Steve Foster

City staff present: Administrator Don Solga, Clerk-Treasurer Danielle Heaton, Street and Park Superintendent Brian Olson, City Attorney Greg Larson and Library Director Annie M. Wrigg.

General Attendance: Gerri Moeller, Kathy Knuteson-Olson and Lou Hoglund from the Pelican Press were also present.

The Mayor welcomed everyone to the Council Meeting and announced upcoming events in the community.

All present stood and said the Pledge of Allegiance.

Kathy Knuteson-Olson asked Council to consider allowing Friends of the Library to use upstairs City Hall to store books.

Motion by Ballard, seconded by Foster to approve the agenda with the addition of City Council Retreat Date. Motion passed unanimously.

Motion by Strand, seconded by Ballard to approve the consent agenda.

- a) Approval of Minutes – 10/10/17
- b) Approval of Accounts Payable Listing
- c) Liquor Store Report
- d) Utility Report – People Service
- e) Certify Unpaid Mowing Bills to Property Taxes at 108 NW 2nd Street, 125 NW 1st Avenue and 100 NW 2nd Street

Motion passed unanimously.

Gerri Moeller, the new Administrator of the Viking Library System, introduced herself to Council. She explained the areas that are covered by the Viking Library System and what services are provided.

Street and Parks Superintendent Brian Olson presented information to Council about changing to LED lights in WWTF, WTP, Library, Liquor Store, Public Works, Fire Department and City Hall. Olson is estimating approximately \$6,000 in labor for all city buildings. Also, there are three community signs (two aren't working and would cost \$3,200 to get fixed) with an LED update, it would cost \$4,400. There will be a five year warranty on the new fixtures in the signs. With the

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rebate, the payback should be less than three years. Motion by Foster, seconded by Strand to change all City buildings and community signs over to LED lights. Motion passed unanimously.

Motion by Strand, seconded by Foster to introduce Resolution 2017-30 entitled: **RESOLUTION 2017-30; CITY & TOWNSHIP WINTER MAINTENANCE AGREEMENT.** (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion carried and resolution declared duly adopted.

Library Director Annie M. Wrigg received a quote from Karl Grefsrud Construction, LLC to remove and replace a section of sidewalk in front of the entrance for \$1,056. She had also got an estimate from Costings Unlimited for a spray texture that could be place on the concrete in front of the entrance and that estimate was \$1,056-\$1,144. Sidewalk is very slippery. She is going to present both options at the next Library board meeting, but she is going to recommend the replacement of the concrete by Karl Grefsrud Construction, LLC. Street and Park Superintendent Brian Olson asked if the Library Board has considered milling. It would be much cheaper and it is something that city staff could do to save money. Library Director Wrigg will present all options to the Library Board.

Administrator Solga presented to Council two quotes for a second opinion proposal on the G.O. CIP Bond, Series 2017C Pricing Second Opinion Proposal Consideration. Motion by Ballard, seconded by Foster to approve Blue Rose Capital Advisors for the amount of \$1,750. Motion carried. Opposed: Strand.

City Administrator Don Solga provided Council with a Project 85 City Hall Update. A Pre-Construction meeting was held on October 18, 2017. The contractor ordered the equipment, which will take up to three months and then they will start on the HVAC. Meanwhile, the contractor will be checking on the duct work and making sure that everything lines up correctly. The windows and EFIS will wait until spring. The Architect asked if Council would allow the Administrator to approve necessary change orders up to \$10,000 to avoid delays.

Administrator Solga presented the contract with Minko Construction Inc. to Council regarding the City Hall improvements. Motion by Ballard, seconded by Foster to allow the Mayor to sign the contract. Motion carried. Opposed: Strand.

Motion by Frazier, seconded by Ballard to give Administrator Solga the authorization to approve change orders up to \$10,000. Motion and second was withdrawn.

Motion by Foster, seconded by Ballard to postpone the change order discussion until the next meeting. Motion passed unanimously.

Since Council has increased the amount the City is going to pay of health insurance premiums to \$700 a month, Administrator Solga asked Council to consider starting a month early (in December) because that's when the renewal takes place. By changing the rate a month early, it would cost the city an additional \$810 for December. Union employees will not change. Motion

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by Ballard, seconded by Foster to approve the City paying nonunion employees insurance monthly premiums up to \$700 starting December 2016. Motion passed unanimously.

Motion by Strand, seconded by Ballard to approve Pay Request No. 3 for Hough Construction Inc. of Detroit Lakes for \$489, 152.96. Motion passed unanimously.

The City received a grant from the State of Minnesota for \$10,000 to go towards wiring at the Water Plant for a generator. The quote for all the wiring is \$80,000. In the future, the City could purchase a generator or wire it for one that we could borrow so the City can have emergency power to the Water Plant. Motion by Ballard, seconded by Foster to allow Administrator Solga to execute the grant paperwork. Motion passed unanimously.

T-Mobile is preparing to put Cell Tower back up on Water Tower. T-Mobile is sending the City a \$10,000 escrow check to cover the costs to hire KLM to ensure everything is done correctly while putting the cell tower on the water tower. T-Mobile would like to do more welding on the tower, but the City is saying they must use Classic Protective Coatings to do the painting so that the City's warranty is still good. Motion by Foster, seconded by Strand to approve signing the consent letter allowing the construction and welding. Motion passed unanimously.

Mayor Frazier read the following statement:

"When balancing the purposes of the attorney-client privilege with regard to the City Council openly discussing the strategies involved with regard to responding to the allegations of SHORT ELLIOT HENDRICKSON INC and/or the impact of said allegations, and the responses thereto, as they relate to the Wastewater Treatment Facility Project worked on by Gridor Construction, Inc., such open discussions of the said Council outweigh the purpose of the open meeting law, and, therefore, demonstrates the need for absolute confidentiality."

"The Council MUST actually communicate with its attorney at the closed meeting."

"The meeting will now be closed so that the City Council of the City of Pelican Rapids, Minnesota, and its attorney, may discuss matters related to the allegations and claims of SHORT ELLIOT HENDRICKSON INC with regard to the Wastewater Treatment Facility Project involving Contractor Gridor Construction, Inc. and the grounds permitting said closed meeting are based on the attorney-client privilege contemplated in Minnesota Statutes section 13D.05, subd. 3(b). I will now entertain a motion to close this portion of the meeting."

Motion by Strand, seconded by Foster to approve closing the meeting. Motion passed unanimously.

"The time is 6:12 p.m. The City Council will now go into a closed session in Chambers. Only the City Council and authorized City representatives may be in attendance at any portion of the closed session."

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“Following a closed meeting, the City Council meeting is now open. The time is 6:57 p.m. We are now going to discuss Project 79 WWTF Pay Request.”

Motion by Foster, seconded by Strand to pay SEH \$350,000 for services they have done on this project, SEH will release any claims against the City and the City will release SEH regarding all documentation of Gridor’s errors regarding and claims, the payment of \$350,000 to SEH will be made within 90 days of September 22, 2017, all future services rendered by SEH will be paid by the City within 30 days of the invoice and the Mayor and Administrator will sign the agreement. Motion passed unanimously.

Motion by Foster, seconded by Ballard to have Attorney Larson send an updated letter to Gridor within the next five business days regarding Project 79 and the up to date liquidated damages. Motion passed unanimously.

Council discussed having a Council Planning Retreat on November 8, from 4:00 p.m. to 5:30 p.m. or November 15, 3:30 p.m. to 5:00 p.m. Clerk-Treasure Heaton will follow up with Council Member Holl to see what day works for him and let the rest of Council know.

Motion by Strand, seconded by Foster to adjourn the City Council meeting at 7:07 p.m. Motion passed unanimously.



Danielle Heaton
Clerk-Treasurer